

# **RESOLUTION 2006-03.**

## **A RESOLUTION IN SUPPORT OF MANDATORY SALE DISCLOSURE**

**WHEREAS**, all taxable property must be appraised according to its market value on January 1 of each year so that local units of government may impose property taxes;

**WHEREAS**, the Texas Tax Code, enacted in 1979, requires that county appraisal districts value property annually based on generally accepted appraisal methods and adherence to the Uniform Standards of Professional Appraisal Practice (USPAP);

**WHEREAS**, USPAP and the Texas Tax Code require that the cost, income, and market data comparison methods of appraisal be considered and the most appropriate method used in appraising property;

**WHEREAS**, all three methods of appraisal require the use of data;

**WHEREAS**, sales prices are not required to be disclosed in the State of Texas;

**WHEREAS**, the lack of sales price information reported county appraisal districts has resulted in undervaluation of property, particularly commercial and multi-family property;

**WHEREAS**, the undervaluation of commercial and multi-family property creates a greater burden of taxation on residential property owners;

**WHEREAS**, local units of government have lost billion of dollars in potential revenue to provide necessary services to the public as a result of this undervaluation;

**WHEREAS**, the State of Texas is one of only five states that does not require property sales price information to be disclosed;

**NOW THEREFORE BE IT RESOLVED** that the City of Somerset respectfully requests that the 80<sup>th</sup> Texas Legislature adopt laws requiring the mandatory disclosure of real property sales prices to county appraisal districts to ensure that all taxable property in the State of Texas is appraised at market value as required by the Texas Tax Code and that ad valorem taxes are imposed equally and uniformly as required by the Texas Constitution.

**APPROVED** on the 10<sup>th</sup> day of October, 2006



Presiding Officer & Mayor  
City Council of the City of Somerset